
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

All HUD operations performed out of the New Orleans, LA Field Office have been devolved to the Fort Worth, TX Regional Office.

HUD has established a toll-free number (866-641-8102) for the public and its employees to get information on HUD operations.

The Office of Housing issued, on August 31, 2005, a mortgagee letter reminding lenders of the 203(h) disaster program and encouraging servicers to delay foreclosure in counties declared federal disaster areas and to consider hurricane damage in the context of any requests for loss mitigation assistance.

Ginnie Mae issued, on August 31, 2005, a letter to all issuers of Ginnie Mae Mortgage Backed Securities (MBS) identifying the various forms of forbearance, including assistance in making payment to MBS investors where homeowners are unable to make payment, and delinquent loans in affected areas are not included in delinquency statistics used in risk monitoring.

In addition, HUD has identified the following available resources:

- HUD will make available programs for damaged or destroyed properties. HUD's Section 203(k) loan program enables homebuyers and homeowners who have lost their homes to finance both the purchase and/or refinancing of a house and the cost of its rehabilitation through a single mortgage. It also allows homeowners who have damaged houses to finance the rehabilitation of their existing single-family home. This program encourages lenders to make mortgages available to borrowers who would not otherwise qualify for conventional loans on affordable terms and to residents of disadvantaged neighborhoods.
- HUD will identify vacant multi-family housing, public housing units, and HUD-owned homes in a 500-mile radius of the affected areas that could be used as temporary housing.
- CDBG, HOME, and ESG grantees may reprogram previously awarded grants to redirect their focus to disaster recovery activities but grantees MUST request the reprogram from HUD.
- There are currently HUD 500 Real Estate Owned (REO) properties in Louisiana, Mississippi, and Alabama that could potentially be used as temporary housing.
- Public Housing Capital Fund Reserve for Emergencies and Natural Disasters granted to PHAs on a first come, first serve basis – must be obligated by the end of FY'05 (\$29 million available).
- Disaster voucher assistance for any family rendered homeless (\$200 million with authority from Congress).
- Vouchers for replacement units for displaced public housing families or displaced residents living in other HUD multifamily projects (\$50 million with authority from Congress).
- Indian Community Development Block Grant funding (up to \$300,000 per grantee with authority from Congress) for disaster relief for Indian housing and Tribal areas.